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DE RUEHSG #0817/01 2432020 ZNR UUUUU ZZH R 312020Z AUG 09 FM AMEMBASSY SANTIAGO TO RUEHC/SECSTATE WASHDC 5407 INFO RUEHAC/AMEMBASSY ASUNCION 4147 RUEHBO/AMEMBASSY BOGOTA 2546 RUEHBU/AMEMBASSY BUENOS AIRES 1661 RUEHBR/AMEMBASSY BRASILIA 1081 RUEHCV/AMEMBASSY CARACAS 2235 RUEHPE/AMEMBASSY LIMA 6367 RUEHMN/AMEMBASSY MONTEVIDEO 4553 RUEHQT/AMEMBASSY QUITO 2577 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHDC RUEATRS/DEPT OF TREASURY WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC

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TAGS: KMDR KPAO PGOV ECON PREL SNAR EFIN CI SUBJECT: CHILE MEDIA REPORT - AUGUST 31

UNASUR

- 11. The UNASUR summit was aired live and showed us a disorganized and seven-hour debate that concluded with upset presidents and a final declaration that made no reference to the U.S.-Colombia agreement. The declaration, however, states that "foreign military forces cannot threaten the sovereignty and integrity of South American countries or the region's peace and security." Brazilian Lula da Silva succeeded in persuading Hugo Chavez to control himself. Rafael Correa and other heads of state proposed calling a meeting with President Obama to explain the scope of the agreement with Colombia. President Lula and other presidents endorsed the proposal, but Uribe objected to it (Conservative, influential newspaper-of-record, El Mercurio, 8/29).
- 12. At UNASUR, Hugo Chavez read the "White Book," a document presumably written by the Pentagon outlining the "strategic" use of bases in South America to "dominate oil" in the region. Peruvian President Alan Garcia ironically remarked to Chavez, "Why would they (the U.S.) want to control South America's oil, when you sell it all to them?" Garcia then said it had been a joke (El Mercurio, 8/29).
- 13. The Pentagon explained that the "White Paper" is a research paper from the "Air Force University." The Department of State said it was an "evaluation of alternative global transportation for emergencies and humanitarian aid" and not "a strategic or policy plan" (El Mercurio, 8/29).
- 14. At UNASUR, Hugo Chavez asked his Colombian counterpart to present the U.S.-Colombia agreement in question to rule out concerns. He also presented a paper allegedly drafted by the Pentagon on the use of "expeditionary bases" in the region. In response to that presentation, President Rafael Correa proposed calling an urgent UNASUR meeting with President Obama to explain the use of the military bases. President Uribe explained that the document read by Chavez had been downloaded from the Internet and was not a USG official document. Lula agreed with the idea of meeting with Obama, but to "explain the scope of the U.S. role in Latin America." This proposal was perceived as a means to decompress the summit. Lula reiterated that while Brazil "respects" the U.S.-Colombia agreement, he wants Uribe to provide legal guarantee that it will not affect the region's stability. The summit's final statement instructs UNASUR defense and foreign affairs ministers to design a security strategy and states that "the presence of foreign military forces cannot threaten the sovereignty and integrity of any South American nation" (La Tercera, 8/29).

- 15. Interview with Brazilian Minister Secretary General to the Presidency Luiz Dulci on the U.S.-Colombia agreement: "The issue of the U.S military bases in the continent... is complex, because it differs significantly from U.S. commercial or industrial presence or investment. This (the agreement) surprised us. We expected a more creative and cooperative attitude from the United States on issues of defense with the region... President Lula spoke very candidly to President Obama on how this disrupts a process that has been predominantly positive in all other aspects... Although we believe that Obama's intentions are the best possible, the installment of U.S. bases in the region creates tension.... We don't want that tension to crystallize and turn into an irreversible conflict" (La Tercera 8/29)
- 16. Peruvian President Alan Garcia said he has no objection to the Colombia-U.S. agreement "if the military presence is limited to Colombia." However, he urged Colombia to provide "explicit guarantees against any threat" and to assure that the contract applies only to Colombia. Garcia also laughed at Chavez's remarks that the U.S. goal is to control South America's oil, since Venezuela is the one that sells all the oil to the United States. (Afternoon, conservative, La Segunda, 8/28)
- 17. At UNASUR, President Bachelet called for "transparency" of military agreements in the region and to create a climate of "trust" (Government-owned, La Nacion, 8/30)
- 18. There was one landmark at UNASUR: This was first time that South American countries debated the military presence of foreign powers in the region. Lula da Silva did not conceal his concern over the installation of U.S. bases or the interest of foreign powers for resources in the Amazon (La Nacion, 8/30).
- 19. Lula proposed inviting President Obama to UNASUR to discuss the role of the United States in the region. This was not an improvised invitation. Last week Lula invited Obama by telephone, but did not get an answer. The U.S. President sent Deputy Assistant Secretary Christopher McMullen to tour the region (La Nacion, 8/31).

U.S.-Related News

- 10. Senator Edward Kennedy visited Chile in January 1986, amid heightened opposition to the military regime. The military regime, through its communications bureau DINACOS, organized a campaign to ensure that Kennedy found a hostile environment. At the airport demonstrators battered the car transporting Kennedy, who had to be flown out on helicopter. The campaign shows the importance that the GOC assigned to Kennedy, who returned to the United States a political hero (Column by Ascanio Cavallo, La Tercera, 8/30).
- 111. President Bachelet wrote President Obama a letter of condolence for Senator Kennedy's passing away. "An exceptional American leader whom we admire," wrote Bachelet. She wrote a more personal letter to the Senator's widow (La Tercera, 8/29).
- 112. The assist director of the Smithsonian's National Museum of the Native American, Maggie Bertin, will arrive to Santiago to arrange an exhibit in Washington on the Mapuche culture (El Mercurio, 8/30).

Local Politics

- 13. The National Electoral Service reported that 100,000 new people have registered to vote since March. The registration deadline is September 13 (La Tercera, 8/3).
- 114. The Executive Office is satisfied with the results of the recently implemented Transparency Law (Access to Information Law). 9,017 requests for information have been submitted with 275 state entities and 82.4 percent of them have been answered (El Mercurio, 8/30).

Indigenous Conflict

115. Figures show that since 1994, the indigenous Mapuche communities that have received the largest amount of land from the government through direct purchase are the most radical communities. The government has handed Mapuche communities in Ercilla, Victoria,

and Traiguen 4,000 to 8,000 hectares each. Meanwhile, the more peaceful communities of Pucon and Villarica have not received any land through this mechanism. The reason, says Olivia Ygor, from think tank "Libertad y Desarrollo," is that these communities have realized that violence yields them results (El Mercurio, 8/30).

SIMONS